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PEPIN AREA SCHOOLS

"Home of The Lakers and Eagles"

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6/15/17

To: Assembly Committee on Education Members

From: Bruce Quinton

Re: Testimony to the Assembly Committee on Education on AB-268

I would like to thank the Assembly Committee on Education members for giving me the opportunity to address your committee in regards to AB-268.

Pepin Area Schools strongly opposes the proposed legislative limits on our school district's ability to go to our local taxpayer for a referendum. We believe this violates the tenets of and represents the continuation of practices that deteriorate local control in our state. Our stance is firm on this matter. School referendums are a local matter and this should not be limited at the state government level. Pepin Area School District voters should be allowed to continue to determine their school district's fate as it relates to our local levy. Provisions in this bill could force the closure of our school if this bill is signed into law.

As a school district administrator, I am astonished that there have been multiple bills introduced that would not only remove a district's ability to run a recurring referendum, but also, at the same time, limit a school district's ability to go to referendum. While Governor Walker's budget proposal would allow new revenue, close to the rate of inflation in this budget cycle, it has been eight years since school districts saw an increase in funding in line with inflation. Many districts have had to go to referendum to be able to continue to provide their students with adequate educational opportunities in the absence of serious fiscal support from the state during those eight years. Referenda are the only way many districts can access desperately needed resources. I have attended listening sessions with numerous assembly representatives and senators who have specifically suggested the use of local referendums to address our local fiscal needs during a time when our state lawmakers have not provided public education with the revenue needed to make ends meet in our local districts. This bill and other proposals significantly impact declining enrollment districts, many of which are small rural districts that need referenda to maintain educational opportunities for children. AB-268 and the other referendum bills, if adopted, could have the effect of forcing districts to consider dissolving or consolidating if they cannot pass nonrecurring referenda every three to five years.

Pepin Area School's vision is "Encouraging a community of learners in a positive atmosphere where learning is a life long process which develops responsible citizens who value knowledge."

The Pepin Area School District does not discriminate on the basis of race, color, religion, sex, national origin, age or handicap.

It begs the question, is the education of students in rural areas of the state less important than other areas of the state? Pepin was able to pass a referendum in the fall of 2006 to exceed the revenue limits on a recurring basis. Our local taxpayers supported this recurring referendum by an overwhelming margin. Our voters supported a recurring question because the structural deficit in our budget was recurring in nature and we needed those dollars every year to allow us to keep key programs in place, so that we could continue to provide our students with an adequate education. The expenses were not nonrecurring in nature. If we needed nonrecurring resources to build a school building or replace a boiler, Pepin Area Schools would have run a nonrecurring referendum question. The current bill would require Pepin Area Schools to continuously go back to our local taxpayers to continue to fund recurring expenses every five years. I have heard some in this room state that recurring questions are confusing. Can you imagine how confusing it is to a taxpayer who thinks they solved the funding issue five years ago, to have to revote on the same dollars repeatedly every five years? I know a number of schools who ran nonrecurring referendums for recurring needs. They go back to the local taxpayer every three to five years and ask for the previously approved money, plus whatever else they need. After a couple of cycles of this, they struggle to pass their non recurring referendum because the average citizen does not understand the difference between recurring and nonrecurring costs. The taxpayer's perception is that we gave them \$1 million last time, now they want \$1.5 million this time. What did they do with the \$1 million we gave them last time? The fact is that the \$1 million was not just needed for five years. It was needed to continue educational programs for as long as the school district exists, hence it is a recurring cost.

I am also very concerned that AB-268 has language in it that would force schools that have legally passed recurring referendums to sunset those questions after five years. I believe Pepin Area Schools would no longer exist if we had passed a nonrecurring referendum in 2006, that added \$750,000 to our base revenue and had to be passed again, every five years. In 2006 we had a fund balance of \$273,000 and an annual structural budget deficit of approximately \$180,000. Today, with hard work and fiscal discipline by the board of education and administration, we have a fund balance of \$1.4 million. Even after this hard work to build a strong fiscal foundation for our district, we would be one referendum from serious fiscal jeopardy and likely bankrupt and dissolved two years after a failed referendum. I, along with our district's legal counsel, seriously question whether such a provision will be able to survive a legal challenge that is sure to ensue if this bill, in its current form, is passed into law. Pepin, along with a long line of other school districts who passed recurring referendums in the past, will certainly challenge this provision in the law. Additionally, has anyone in this room seriously considered the number and scope of recurring referendums that have passed before this law would be enacted? We are a small rural district who would have to go back and ask for \$750,000 in five years. I can't even image what some of the larger districts in the state that have passed recurring referendums in the past might have to ask for in five years.

Further, why shouldn't our local voters have the right to vote for a recurring referendum question? Some legislators talked about "voter fatigue" as justification for supporting the

bills in the six-bill referendum package. How exactly would “voter fatigue” be alleviated under this bill? Wouldn’t this bill actually create more “voter fatigue” for local taxpayers? As a taxpayer, I would have to continuously re-vote to maintain the educational opportunities of a recurring nature every five years?

Next, where exactly is local control in this scenario? The last time I was in this building testifying before the Senate education committee, I stated that I never thought I would be here lecturing Republicans about local control. State government telling the local municipalities when, if and what kind of referendums they can run does not strike me as Republican values.

Finally, who is this bill protecting? If our local voters feel that the school board is abusing their local authority to go to referendum, it seems to me that the local voter will hold the local board members accountable at the next school board election. It seems to me that is the very definition of local control, right?

This bill will further exacerbate the trend of creating “Haves” who can pass referenda and “Have Nots” who cannot. Opportunities for students will further be determined by their zip code. Poorer districts will cut educational opportunities for their students as opposed to risking insolvency and the gap between the “Haves” and “Have Nots” will continue to grow wider and wider in our state.

I am asking the Assembly Committee on Education to let these matters be determined where they impact the lives of the people you represent. This is a matter for the local voter to decide at the ballot box of their own district! Please do not impose your will on those who are not asking for you to take away their right to vote for the self determination of their local school in rural Wisconsin.

Thank you for your time,

A handwritten signature in black ink that reads "Bruce Quinton". The signature is written in a cursive, flowing style.

Bruce Quinton, District Administrator
Pepin Area Schools